

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

May 12, 2008

9:30 a.m.

Robert F. Carlson Auditorium
Lincoln Plaza North
400 Q Street
Sacramento, CA

COMMITTEE MEMBERS

George Diehr, Chair
Priya Mathur, Vice Chair
Marjorie Berte
John Chiang
Rob Feckner
David Gilb
Henry Jones
Bill Lockyer
Louis F. Moret
Tony Oliveira
Anne Sheehan
Kurato Shimada
Charles Valdes

**CLOSED SESSION 9:00 a.m., or upon adjournment or recess of Board of
Administration Closed Session, whichever is later**
Chief Investment Officer's Briefing on Market and Personnel Issues
(Government Code sections 11126(a)(1) and (c)(16))

OPEN SESSION 9:30 a.m.

CLOSED SESSION Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16))

AGENDA

OPEN SESSION

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| Action | 1. Call to Order and Roll Call |
| | 2. Approval of the April 21, 2008 Open Session Minutes |

Action / Subcommittee Chair Jones	<ul style="list-style-type: none"> 3. Policy Subcommittee Report <ul style="list-style-type: none"> a. Total Fund – Revision of Policy on Asset Allocation Strategy b. Global Equity – Revision of Policy on Internally Managed Global Equity Index Funds c. Policy Review and Consolidation Project – Revision of Global Fixed Income Policies <ul style="list-style-type: none"> 1) Adoption of Policy on Global Fixed Income Program (consolidation of Dollar-Denominated Fixed Income and Externally Managed Active International Fixed Income Programs) 2) Adoption of Policy on Low Duration Fixed Income Program (consolidation of Dollar-Denominated Fixed Income-Limited Duration and Dollar-Denominated Fixed Income Short-Term Internally Managed Programs) 3) Revision of Policy on Lehman Aggregate Program (old name: Self-Funded Healthcare) 4) Revision of Policy on Treasury Inflation Protected Securities Program 5) Revision of Policy on Currency Overlay Program
Information	4. Real Estate
Information	5. Alternative Investment Management (AIM) Program
Information / Farouki Majeed	<ul style="list-style-type: none"> 6. Inflation-Linked Asset Class (ILAC) <ul style="list-style-type: none"> a. Implementation Update
Action / Curtis Ishii	<ul style="list-style-type: none"> 7. Global Fixed Income <ul style="list-style-type: none"> a. External High Yield Manager Annual Review
Information / Eric Baggesen Information	<ul style="list-style-type: none"> 8. Global Equity <ul style="list-style-type: none"> a. Emerging Markets Program Manager Reports b. Corporate Governance Update
Information	9. Supplemental Income Plans (SIP)
Information / Anne Stausboll Information / Anne Stausboll	<ul style="list-style-type: none"> 10. Chief Investment Officer's/Chief Operating Investment Officer's Report <ul style="list-style-type: none"> a. Consolidated Investment Activity Report b. Chief Operating Investment Officer's Status Report
Information	11. Draft Agenda for June 16, 2008
	12. Public Comment

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

May 12, 2008

AGENDA

CLOSED SESSION

Upon Adjournment or Recess of Open Session

(Government Code section 11126(c)(16))

(Government Code section 11126(g)(1) [Item 12 only])

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| | 1. Call to Order and Roll Call |
| Action | 2. Approval of the April 21, 2008 Closed Session Minutes |
| Information / Eric Baggesen | 3. Total Fund
a. Tobacco Divestiture Update |
| Information / Ted Eliopoulos
Information / Ted Eliopoulos | 4. Real Estate
a. Portfolio Sector Update
b. Strategic Plan Implementation Update |
| Information / Leon Shahinian
and Curtis Ishii | 5. Alternative Investment Management (AIM) Program
a. Municipal Monoline Insurer |
| Information | 6. Inflation-Linked Asset Class (ILAC) |
| Information / Curtis Ishii
Information / Curtis Ishii | 7. Global Fixed Income
a. High Yield Manager Update
b. External Manager Update |
| Information / Eric Baggesen | 8. Global Equity
a. External Manager Update |
| Information | 9. Supplemental Income Plans
a. External Manager Update |
| Information / Anne Stausboll | 10. Chief Investment Officer's/Chief Operating Investment
Officer's Report
a. Status of Action Items Not Yet Reported |
| Information / Anne Stausboll | 11. Activity Reports
a. Alternative Investment Management Program
b. Risk Managed Absolute Return Strategies
Program
c. Public Markets |
| Information/Chris O'Brien | 12. Chief Investment Officer Recruitment |